GREC RENews

2024 Calendar

GREC Annual School Meeting December 5-6, 2024 Savannah, GA

Click Here To Register

Link to the Georgia Real Estate License Laws, Rules, and Regulations

EDUCATION ADVISOR

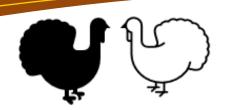
grecconnect.com.

Zoom sessions are every Friday morning at 9:00. Schedule changes are posted to the GREC Facebook page.

Link to Proposed Rule Changes

Link to GREC
Disciplinary
Actions
View Current
Suspensions and
Revocations





This Issue:
Real Estate Consulting
Opportunities at GREC
Disciplinary Stats
Inactive Licensees
P.1
P.1

Real Estate Consulting Requires a Real Estate License

If a Real Estate Firm or Licensee hires someone to conduct real estate brokerage activities, then he/she must be Licensed by the Georgia Real Estate

Whether it is marketing residential properties, managing rental properties, selling land, or procuring prospective tenants for an office building, if a person performs real estate activities for a Licensee in anticipation of getting paid for that work, he/she must have an active real estate License. Calling the real estate activities "consulting" work does not change the fact that it is real estate brokerage activities and requires a License.

Review the following summary of the <u>43-40-1 Definition of Broker</u> in the Real Estate License Law.

"Broker" means any person who, for another, and who, for a fee, commission, or any other valuable consideration or with the intent or expectation of receiving the same from another: (does the following)

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Two Opportunities at the Georgia Real Estate Commission

Investigator Click for More Information
Information Specialist Click for More Information

November 2024 Meeting - Commission Actions Taken		
Cases Sent to the Attorney General for Review and Disposition by		
Consent Order or by Hearing	0	
Cease & Desist Orders Issued	1	
Citations Issued	6	
Letter of Findings Issued	1	
Consent Orders Entered Into	1	
Final Orders of Revocation of Licensure	1	
Cases Closed for Insufficient Evidence or No Apparent Violation	9	
Licensing Cases - Applicant has a Criminal Conviction - License Issued	6	
Licensing Cases - Applicant has a Criminal Conviction - License Denied	1	
Total	26	

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Online Courses from GREC approved for:

- ✓ License Law
- ✓ Continuing Ed
- ✓ Instructor CF
- ✓ 3 9 Hours CE
- Being a Broker and Staying Out of Trouble
- Avoiding Trust Account Trouble
- Practicing Real Estate & Staying Out of Trouble

Click Here to Enroll \$10 Each

To sign up to receive the GREC RENewsletter Click Here

Submit a Comment or suggestion Click Here

Georgia Real Estate Commission Suite 1000 International Tower 229 Peachtree Street NE Atlanta, GA 30303-1605 Phone 404-656-3916

Consulting Requires a Real Estate License...

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- Negotiates or assists in procuring prospects for the listing, sale, purchase, exchange, renting, lease, or option for any real estate or its improvements;
- Acts as a referral agent to secure prospects for any real estate;
- Collects rent or other trust funds;
- Is employed by or on behalf of the owner(s) of lots, timeshares, or other parcels
 of real estate at a salary, fee, commission, or other valuable consideration to sell
 such real estate or part thereof;
- Charges a fee, other than an advertising fee, to promote the sale of real estate either through its listing in a publication or for referral to Brokers, or both;
- Auctions real estate;
- Deals in options to buy/sell real estate;
- Performs property management or community association management services;
- Provides consulting services to any party to a real estate transaction to negotiate
 or procure prospects for the listing, sale, purchase, exchange, renting, lease, or
 option for any real estate or the improvements thereon.
- Advertises him/herself as engaged or providing any such services.

Thus, by definition, an individual is not permitted to receive consulting fees as a source of income for doing any of the above activities unless he/she has a real estate License.

GREC has authority to sanction those individuals who are not Licensed.

Independent contractors (subcontractors for a principal) conducting real estate activities for a Licensed firm or Licensee must have a real estate License. For example, if a corporate real estate executive chooses to do consulting work for a Licensed firm or Licensee in the real estate industry and receive compensation for it, he/she must obtain a real estate License to do so within the law.

A written complaint against someone that is not Licensed or an investigation initiated by the Commission can lead to fines or Sanctions by GREC. In one year alone, there were 8 Cease and Desist Orders issued against Firms and individuals that performed, offered to perform, attempted to perform, or agreed to perform, directly or indirectly, acts that require a License from the Real Estate Commission. They engaged in the practice of a real estate Licensee without a License.

Any violation of the Cease and Desist authorizes the Commission to impose a fine up to \$1,000 for each transaction constituting a violation. Each day that the unlicensed individual performs unlicensed activity counts as a separate and additional violation. Clearly the fines can quickly accumulate to significant amounts.

In addition, a Licensee who pays a consultant, subcontractor, individual, etc. that is not Licensed is violating the License Law him/herself under 43-40-25 Violations by licensees, schools, and instructors; sanctions; unfair trade practices.

Inactive Licensees

43-40-12(g) . Fees; inactive status; licensure of broker as salesperson; penalty fees; extension of renewal period.

(g) Any real estate Broker who does not wish to be actively engaged in the brokerage business or any Licensee who is temporarily not actively engaged on behalf of a Broker may continue a License by making a written request within 30 days of ceasing work that the License be placed on inactive status. Any Licensee whose License has been placed on an inactive status shall not engage in the real estate brokerage business except in connection with property owned by the Licensee.